In the claims

Please cancel claims 1-107 without prejudice or disclaimer to the subject matter

contained therein and add claims 108-171.

Sub C7   1-107. (Canceled)

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108.   (Newly Added) A method for delivering targeted advertisements to a subscriber

with video that the subscriber selected to receive from a video on demand system, the method

comprising:

selecting the video;

determining available advertisement opportunities in the selected video;

receiving advertisement profiles, wherein the advertisement profiles define advertisement

traits and intended target market traits for associated advertisements, wherein the intended target

market traits include criteria related to specific transactions of subscribers, and wherein the

criteria includes presence of the specific transactions, absence of the specific transactions, or

presence of a first subset of the specific transactions and absence of a second subset of the

specific transactions;

selecting a first set of advertisements capable of being delivered with the video by

comparing the advertisement traits and the available advertisement opportunities;

selecting a second set of advertisements that are of interest to a subscriber by comparing

the intended target market traits and subscriber transaction data, wherein the comparing includes

searching the subscriber transaction data for the presence of the specific transactions, the absence

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of the specific transactions, or the presence of a first subset of the specific transactions and the absence of a second subset of the specific transactions;

selecting targeted advertisements, wherein the targeted advertisements include advertisements that are part of both the first set of advertisements and the second set of advertisements; and

delivering the selected video and the targeted advertisements to the subscriber.

109. (Newly Added) The method of claim 108, wherein the specific transactions are kept confidential.

110. (Newly Added) The method of claim 108, wherein the specific transactions are purchase transactions.

111. (Newly Added) The method of claim 110, wherein the purchase transactions are maintained external to the video on demand system.

112. (Newly Added) The method of claim 111, wherein the searching the subscriber transaction data is performed external to the video on demand system.

113. (Newly Added) The method of claim 110, wherein the purchase transactions are related to at least some subset of product type, products, brands, size, price, quantity, and time.

114.   (Newly Added) The method of claim 108, wherein the specific transactions are viewing transactions.

115.   (Newly Added) The method of claim 114, wherein the viewing transactions are maintained within a device located at a subscriber location.

116.   (Newly Added) The method of claim 115, wherein the searching the subscriber transaction data is performed in the device.

117.   (Newly Added) The method of claim 114, wherein the viewing transactions are related to at least some subset of channel, network, program, genre, viewing duration, channel change frequency, and volume level.

118.   (Newly Added) The method of claim 108, wherein the searching the subscriber transaction data is performed by a secure third party.

119.   (Newly Added) The method of claim 108, wherein the subscriber transaction data is stored in a single database.

120. (Newly Added) The method of claim 108, wherein the subscriber transaction data is stored in multiple distributed databases.

121. (Newly Added) The method of claim 108, wherein the intended target market traits further include transaction characteristics.

122. (Newly Added) The method of claim 121, wherein the transaction characteristics are purchasing characteristics.

123. (Newly Added) The method of claim 122, wherein the purchase characteristics define characteristics related to at least some subset of product type, products, brands, sizes, price, and quantity.

124. (Newly Added) The method of claim 121, wherein the transaction characteristics are viewing characteristics.

125. (Newly Added) The method of claim 124, wherein the viewing characteristics define characteristics related to at least some subset of channel, network, program, genre, viewing duration, channel change frequency, and volume level.

126. (Newly Added) The method of claim 121, further comprising comparing transaction characteristics of the intended target market with transaction characteristics of the subscriber.

127. (Newly Added) The method of claim 126, wherein at least a subset of the targeted advertisements are selected based on said comparing transaction characteristics of the intended target market with transaction characteristics of the subscriber.

128. (Newly Added) The method of claim 126, wherein at least a subset of the targeted advertisements are selected based on said comparing transaction characteristics of the intended target market with transaction characteristics of the subscriber and some combination of household demographics, the selected video, and previous video selections.

129. (Newly Added) The method of claim 108, wherein at least a subset of the targeted advertisements are selected based on some combination of household demographics, the selected video, and previous video selections.

130. (Newly Added) The method of claim 108, wherein the advertisements traits include parameters defining limits on presentation of the associated advertisement to the subscriber, and further comprising

monitoring advertisements presented to the subscriber; and

confirming that the selected targeted advertisements are within the limits defined in the advertisement traits based on said monitoring.

131.   (Newly Added) The method of claim 108, wherein the available advertisement opportunities may be prior to, during, within or after the video.

132.   (Newly Added) The method of claim 131, wherein said delivering includes delivering the targeted advertisements prepended to the video if the advertisement opportunities are prior to the video.

133.   (Newly Added) The method of claim 131, wherein said delivering includes delivering the targeted advertisements postpended to the video if the advertisement opportunities are after the video.

134.   (Newly Added) The method of claim 131, wherein said delivering includes delivering the targeted advertisements between different segments of the video if the advertisement opportunities are during the video.

135.   (Newly Added) The method of claim 131, wherein said delivering includes delivering the targeted advertisements as part of the video if the advertisement opportunities are within the video.

136.   (Newly Added) The method of claim 135, wherein the advertisement

opportunities within the video include at least some subset of bugs, product placements,

overlays, and banners.

137.   (Newly Added) A video on demand system for delivering targeted

advertisements to a subscriber with video selected by the subscriber, the system comprising:

a user interface for selecting the video;

means for determining available advertisement opportunities in the selected video;

means for receiving advertisement profiles, wherein the advertisement profiles define

advertisement traits and intended target market traits for associated advertisements, wherein the

intended target market traits include criteria related to specific transactions of subscribers, and

wherein the criteria includes presence of the specific transactions, absence of the specific

transactions, or presence of a first subset of the specific transactions and absence of a second

subset of the specific transactions;

means for selecting a first set of advertisements capable of being delivered with the video

by comparing the advertisement traits and the available advertisement opportunities;

means for selecting a second set of advertisements that are of interest to a subscriber by

comparing the intended target market traits and subscriber transaction data, wherein the

comparing includes searching the subscriber transaction data for the presence of the specific

transactions, the absence of the specific transactions, or the presence of a first subset of the

specific transactions and the absence of a second subset of the specific transactions;

means for selecting targeted advertisements, wherein the targeted advertisements include

advertisements that are part of both the first set of advertisements and the second set of

advertisements; and

a delivery network for delivering the selected video and the targeted advertisements to

the subscriber.

138.   (Newly Added) The system of claim 137, wherein said user interface is an EPG.

139.   (Newly Added) The system of claim 137, wherein the subscriber transaction data

is maintained by a third party and said means for selecting a second set of advertisements

includes an interface to the third party for searching the subscriber transaction data.

140.   (Newly Added) The system of claim 137, wherein the subscriber transaction data

is maintained within a device located at a subscriber location.

141.   (Newly Added) The system of claim 140, wherein said means for selecting a

second set of advertisements is located within the device for searching the subscriber transaction

data.

142.   (Newly Added) The system of claim 137, wherein said means for selecting

~~targeted advertisements is located within the device.~~

143. (Newly Added) The system of claim 137, further comprising a database for storing subscriber transaction data.

144. (Newly Added) The system of claim 137, further comprising distributed databases for storing subscriber transaction data.

145. (Newly Added) The system of claim 137, wherein the intended market traits further include viewing characteristics, and further comprising means for comparing the viewing characteristics of the intended target market with the viewing characteristics of the subscriber.

146. (Newly Added) The system of claim 145, wherein said means for selecting the targeted advertisements selects at least a subset of the targeted advertisements based on results from said means for comparing the viewing characteristics of the intended target market with the viewing characteristics of the subscriber.

147. (Newly Added) The system of claim 145, further comprising means for generating the viewing characteristics of the subscriber.

148. (Newly Added) The system of claim 147, wherein said means for generating includes

means for monitoring subscriber viewing interactions;

storage for storing a plurality of subscriber signatures, wherein the subscriber signatures identify traits about the subscriber including viewing characteristics and each subscriber signature is associated with unique subscriber traits;

means for comparing the subscriber viewing interactions with the subscriber signatures; and

means for associating the subscriber with the subscriber signature responsive to said means for comparing.

149.   (Newly Added) A computer program embodied on a computer-readable medium for selecting targeted advertisements to deliver to a subscriber with video selected by the subscriber, the computer program comprising

a source code segment for selecting the video;

a source code segment for determining available advertisement opportunities in the selected video;

a source code segment for receiving advertisement profiles, wherein the advertisement profiles define advertisement traits and intended target market traits for associated advertisements, wherein the intended target market traits include criteria related to specific transactions of subscribers, and wherein the criteria includes presence of the specific transactions, absence of the specific transactions, or presence of a first subset of the specific transactions and absence of a second subset of the specific transactions;

a source code segment for selecting a first set of advertisements capable of being delivered with the video by comparing the advertisement traits and the available advertisement opportunities;

a source code segment for selecting a second set of advertisements that are of interest to a subscriber by comparing the intended target market traits and subscriber transaction data, wherein the comparing includes searching the subscriber transaction data for the presence of the specific transactions, the absence of the specific transactions, or the presence of a first subset of the specific transactions and the absence of a second subset of the specific transactions;

a source code segment for selecting targeted advertisements, wherein the targeted advertisements include advertisements that are part of both the first set of advertisements and the second set of advertisements; and

a source code segment for delivering the selected video and the targeted advertisements to the subscriber.

150. (Newly Added) The computer program of claim 149, further comprising a source code segment for comparing viewing characteristics defined in the intended target market traits with subscriber viewing characteristics.

151. (Newly Added) The computer program of claim 149, wherein said source code segment for selecting the targeted advertisements selects at least a subset of the targeted advertisements responsive to said source code segment for comparing viewing characteristics defined in the intended target market traits with subscriber viewing characteristics.

152.   (Newly Added) The computer program of claim 149, further comprising a source code segment for generating the subscriber viewing characteristics.

153.   (Newly Added) The computer program of claim 152, wherein said source code segment for generating includes

a source code segment for monitoring subscriber viewing interactions;

a source code segment for comparing the subscriber viewing interactions with a plurality of subscriber signatures, wherein the subscriber signatures identify traits about the subscriber including viewing characteristics and each subscriber signature is associated with unique subscriber traits; and

a source code segment for associating the subscriber with a subscriber signature responsive to said source code segment for comparing.

154.   (Newly Added) A method for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system, the method comprising:

selecting the video;

determining available advertisement opportunities in the selected video;

receiving advertisement profiles, wherein the advertisement profiles define advertisement traits and intended target market traits for an associated advertisement;

selecting a first set of advertisements capable of being delivered with the video by comparing the advertisement traits and the available advertisement opportunities;

selecting a second set of advertisements that are of interest to a subscriber by comparing the intended target market traits and some combination of a subscriber profile that defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos;

selecting targeted advertisements, wherein the targeted advertisements include a subset of advertisements that are part of both the first set of advertisements and the second set of advertisements; and

delivering the selected video and the targeted advertisements to the subscriber; and

presenting the selected video and the targeted advertisements to the subscriber on a viewing device, wherein said presenting includes presenting an alternative advertisement when the subscriber fast-forwards or skips the targeted advertisement, and wherein the alternative advertisement is a shortened version of the targeted advertisement.

155.   (Newly Added) The method of claim 154, wherein the advertisement traits include parameters defining limits on presentation of the associated advertisement to the subscriber, and further comprising

monitoring advertisements presented to the subscriber; and

confirming that the selected targeted advertisements are within the limits defined in the

~~advertisement traits based on said monitoring.~~

156. (Newly Added) The method of claim 154, wherein the available advertisement opportunities may be prior to, during, within or after the video.

157. (Newly Added) The method of claim 156, wherein said delivering includes delivering the targeted advertisements prepended to the video if the advertisement opportunities are prior to the video.

158. (Newly Added) The method of claim 156, wherein said delivering includes delivering the targeted advertisements postpended to the video if the advertisement opportunities are after the video.

159. (Newly Added) The method of claim 156, wherein said delivering includes delivering the targeted advertisements between different segments of the video if the advertisement opportunities are during the video.

160. (Newly Added) The method of claim 156, wherein said delivering includes delivering the targeted advertisements as part of the video if the advertisement opportunities are within the video.

161.   (Newly Added) The method of claim 160, wherein the advertisement opportunities within the video include at least some subset of bugs, product placements, overlays, and banners.

162.   (Newly Added) The method of claim 154, wherein the alternative advertisement is presented in place of the targeted advertisement.

163.   (Newly Added) The method of claim 154, wherein the alternative advertisement is presented in conjunction with the targeted advertisement.

164.   (Newly Added) The method of claim 154, wherein the alternative advertisement is derived from the targeted advertisement by application of processing rules.

165.   (Newly Added) The method of claim 154, wherein the alternative advertisement is a separate advertisement related to the targeted advertisement.

166.   (Newly Added) A video on demand system for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive, the system comprising:

means for selecting the video;

means for determining available advertisement opportunities in the selected video;

means for receiving advertisement profiles, wherein the advertisement profiles define

advertisement traits and intended target market traits for an associated advertisement;

means for selecting a first set of advertisements capable of being delivered with the video

by comparing the advertisement traits and the available advertisement opportunities;

means for selecting a second set of advertisements that are of interest to a subscriber by

comparing the intended target market traits and some combination of a subscriber profile that

defines traits associated with the subscriber, household demographics, traits associated with the

selected video, or traits associated with previously selected videos;

means for selecting targeted advertisements, wherein the targeted advertisements include

a subset of advertisements that are part of both the first set of advertisements and the second set

of advertisements; and

means for delivering the selected video and the targeted advertisements to the subscriber;

and

means for presenting the selected video and the targeted advertisements to the subscriber

on a viewing device, wherein said presenting includes presenting an alternative advertisement

when the subscriber fast-forwards or skips the targeted advertisement, and wherein the

alternative advertisement is a shortened version of the targeted advertisement.

167.   (Newly Added) The system of claim 166, wherein said means for presenting

presents the alternative advertisement in place of the targeted advertisement.

168. (Newly Added) The system of claim 166, wherein said means for presenting presents the alternative advertisement in conjunction with the targeted advertisement.

169. (Newly Added) The system of claim 166, further comprising means for deriving the alternative advertisement from the targeted advertisement by application of processing rules.

170. (Newly Added) A computer program embodied on a computer-readable medium for selecting targeted advertisements to deliver to a subscriber with video selected by the subscriber, the computer program comprising:

a source code segment for selecting the video;

a source code segment for determining available advertisement opportunities in the selected video;

a source code segment for receiving advertisement profiles, wherein the advertisement profiles define advertisement traits and intended target market traits for an associated advertisement;

a source code segment for selecting a first set of advertisements capable of being delivered with the video by comparing the advertisement traits and the available advertisement opportunities;

a source code segment for selecting a second set of advertisements that are of interest to a subscriber by comparing the intended target market traits and some combination of a subscriber profile that defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos;

a source code segment for selecting targeted advertisements, wherein the targeted

advertisements include a subset of advertisements that are part of both the first set of

advertisements and the second set of advertisements; and

a source code segment for delivering the selected video and the targeted advertisements

to the subscriber; and

a source code segment for presenting the selected video and the targeted advertisements

to the subscriber on a viewing device, wherein said presenting includes presenting an alternative

advertisement when the subscriber fast-forwards or skips the targeted advertisement, and

wherein the alternative advertisement is a shortened version of the targeted advertisement.

171.   (Newly Added) The computer program of claim 170, further comprising a source

code segment for deriving the alternative advertisement from the targeted advertisement by

~~application of processing rules.~~